

STATE OF TENNESSEE

Office of the Attorney General



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ANDY D. BENNETT
CHIEF DEPUTY ATTORNEY GENERAL

LUCY HONEY HAYNES
ASSOCIATE CHIEF DEPUTY
ATTORNEY GENERAL

PAUL G. SUMMERS
ATTORNEY GENERAL AND REPORTER

MAILING ADDRESS

P.O. BOX 20207
NASHVILLE, TN 37202

MICHAEL E. MOORE
SOLICITOR GENERAL

CORDELL HULL AND JOHN SEVIER
STATE OFFICE BUILDINGS

TELEPHONE 615-741-3491
FACSIMILE 615-741-2009

Reply to:
Consumer Advocate and Protection Division
Post Office Box 20207
Nashville, TN 37202

September 16, 2003

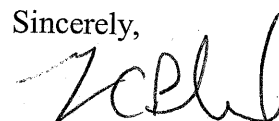
Honorable Deborah Taylor Tate
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF
PIEDMONT NATURAL GAS COMPANY, INC., FOR AN ADJUSTMENT OF ITS
RATES AND CHARGES, THE APPROVAL OF REVISED TARIFFS AND
APPROVAL OF REVISED SERVICE REGULATIONS, DOCKET NO. 03-00313

Dear Chairman Tate:

Enclosed is an original and thirteen copies of the Consumer Advocate and Protection Division's Responses to TRA Data Requests Dated September 12, 2003. Kindly file same in this tariff. Copies are being sent to all parties of record. If you have any questions, kindly contact me at (615) 741-3533. Thank you.

Sincerely,


TIMOTHY C. PHILLIPS
Assistant Attorney General

cc: All Parties of Record

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**IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF PIEDMONT
NATURAL GAS COMPANY, INC. FOR AN ADJUSTMENT OF ITS RATES AND
CHARGES, FOR APPROVAL OF REVISED TARIFFS AND APPROVAL OF REVISED
SERVICE REGULATIONS.**

DOCKET NO. 03-00313

RESPONSE TO TRA DATA REQUEST DATED SEPTEMBER 12, 2003

Operating Income

1. According to the Company's response to Staff Data Request No. 152, the Company used a 17.32% rate to capitalize corporate payroll. However, on Company Workpaper SW-7, the percentage of payroll capitalized amounts to 6.89%. It appears that using 17.32% would reduce corporate payroll by approximately \$503,000. Reconcile and calculate the impact of this discrepancy.

RESPONSE: The Consumer Advocate has reviewed the response to this request prepared by Nashville Gas and incorporates same subject to review of the filed response.

IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF PIEDMONT NATURAL GAS COMPANY, INC. FOR AN ADJUSTMENT OF ITS RATES AND CHARGES, FOR APPROVAL OF REVISED TARIFFS AND APPROVAL OF REVISED SERVICE REGULATIONS.

DOCKET NO. 03-00313

RESPONSE TO TRA DATA REQUEST DATED SEPTEMBER 12, 2003

Operating Income

2. In prior utility rate cases, both the TRA and the TPSC have affirmed a policy of eliminating operating expenses from recovery for Company charitable contributions, civic donations and related miscellaneous expenses that have no bearing on providing utility service. Referring to TRA data request item #132, provide the amount of expenses that should be adjusted to adhere to this policy.

RESPONSE: The Consumer Advocate has reviewed the response to this request prepared by Nashville Gas and incorporates same subject to review of the filed response.

**IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF PIEDMONT
NATURAL GAS COMPANY, INC. FOR AN ADJUSTMENT OF ITS RATES AND
CHARGES, FOR APPROVAL OF REVISED TARIFFS AND APPROVAL OF REVISED
SERVICE REGULATIONS.**

DOCKET NO. 03-00313

RESPONSE TO TRA DATA REQUEST DATED SEPTEMBER 12, 2003

Rate Design

1. Refer to Schedule 1 of the Stipulation. Provide the rationale for eliminating the residential discounted air-conditioning rate for those customers who have installed this equipment in order to receive such a discount.

RESPONSE: The Consumer Advocate has reviewed the response to this request prepared by Nashville Gas and incorporates same subject to review of the filed response.

IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF PIEDMONT NATURAL GAS COMPANY, INC. FOR AN ADJUSTMENT OF ITS RATES AND CHARGES, FOR APPROVAL OF REVISED TARIFFS AND APPROVAL OF REVISED SERVICE REGULATIONS.

DOCKET NO. 03-00313

RESPONSE TO TRA DATA REQUEST DATED SEPTEMBER 12, 2003

Rate Design

2. Refer to Schedule 3 of the Stipulation.
 - a. Provide a calculation of the monthly calendar and cycle (16-15) heating degree days for both the test period and the normal period.
 - b. If the Company's normal heating degree days are calculated for any time period outside of the test period (December 31, 2002) provide both the rationale for such a departure and also calculate the effect of using a normal 30-year period that ends with December 31, 2002.

RESPONSE: The Consumer Advocate has reviewed the response to this request prepared by Nashville Gas and incorporates same subject to review of the filed response.

**IN RE: APPLICATION OF NASHVILLE GAS COMPANY, A DIVISION OF PIEDMONT
NATURAL GAS COMPANY, INC. FOR AN ADJUSTMENT OF ITS RATES AND
CHARGES, FOR APPROVAL OF REVISED TARIFFS AND APPROVAL OF REVISED
SERVICE REGULATIONS.**

DOCKET NO. 03-00313

RESPONSE TO TRA DATA REQUEST DATED SEPTEMBER 12, 2003

Rate Design

3. Refer to Schedule 4 of the Stipulation. Provide a schedule summarizing all changes agreed to by the parties in the Company's tariff and service regulations, including returned check charges, reconnect charges, and service line extension charges.

RESPONSE: The Consumer Advocate has reviewed the response to this request prepared by Nashville Gas and incorporates same subject to review of the filed response.

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